GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA

UNSTARRED QUESTION NO:2446
ANSWERED ON:30.07.2002
LICENCES GRANTED FOR DIAMOND EXPLORATION
IQBAL AHMED SARADGI

Will the Minister of COAL AND MINES be pleased to state:

(a) whether seven companies have been granted prospecting licences for diamond exploration and other precious minerals in Andhra Pradesh;

(b) if so, whether the Union Government also plan to step up precious stone mining activities in Karnataka, Maharashtra, Chhattisgarh, etc;

(c) whether these efforts will help to achieve the world leader status in cut and polish diamonds; and

(d) if so, the time by which a final decision is likely to be taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (SHRI RAVI SHANKAR PRASAD)

(a): Under Section 10(3) of the Mines and Minerals (Development and Regulation) Act, 1957 mineral concessions, including Prospecting licences are granted by the State Government concerned. However, proposals for prior approval of the Central Government for grant of mineral concessions for minerals specified in the First Schedule to the aforesaid Act originate from the respective State Governments and are processed and disposed of by the Central Government as per the provisions of Section 5(1) of the Act.
Since 1.4.2000, on the recommendations of the State Government of Andhra Pradesh, approval have been given by the Central Government for grant of 5 prospecting licences for diamond and other precious stones. In addition, approvals have been given by the Central Government for grant of 32 reconnaissance permits in favour of seven companies. The details of prospecting licences/ reconnaissance permits approved by Central Government in Andhra Pradesh are given at Annexure.

(b) to (d): The National Mineral Policy (NMP) of 1993 recognised the need for encouraging private investment including foreign direct investment in mineral sector. As per the NMP, mining of 13 minerals (including diamond), hitherto reserved for exclusive exploitation through public sector has been thrown open for private investment. Any Indian National or a Company registered in India can undertake mining operation for diamond and precious stones. The Central Government has been urging the State Governments from time to time to pursue investor friendly policy to encourage investment in mineral sector including diamond and precious stones.
In the last two years besides Andhra Pradesh, reconnaissance permits for diamond and precious stones have been granted in the States of Karnataka, Orissa and Madhya Pradesh.

So far no diamond deposits or precious stone deposits have been reported in the areas under reconnaissance permits/prospecting licences and further action in the matter will depend on the result of investigations.

ANNEXURE
Annexure referred to in reply to Lok Sabha Unstarred Question No. 2446 for 30.7.2002 asked by Shri Iqbal Ahmed Saradgi regarding licences granted for diamond exploration.
Sl.No Name of Company Minerals No. of PLs 1 M/s. National Mineral Development Corporation Ltd.(NMDC) Diamond 4

2. M/s. Mines Management (India) Pvt. Ltd. Diamond and precious stones 1

Sl.No Name of Company Minerals No. of RPs
1. M/s. De Beers Private Limited Diamond, gold and associated minerals 7

2. M/s. Phelps Dodge Exploration India Pvt. Ltd. Diamond and associated minerals, copper, lead, zinc, silver, gold, and barytes. 4

3. M/s. CRA Exploration India Pvt. Ltd. Diamond & other precious minerals including gold, silver, bismuth and cadmium 4

4. M/s. Geo Mysore Services India Pvt. Ltd. Diamond, gold, copper, lead, zinc, silver, nickel, tungsten antimony, bismuth arsenic cobalt, molybdenum, platinum group of metals. 7

5. M/s. AMIL Mining India Pvt. Ltd Diamond, gold, precious stone and associated minerals. 6 6. M/s. Anglo American Exploration (India) Pvt. Ltd. Copper, nickel and associated mineral. 3

7 M/s. NMDC Ltd. Diamond 1